



FEDERAL RESERVE SYSTEM

Proposed Agency Information Collection Activities; Comment Request

AGENCY: Board of Governors of the Federal Reserve System.

ACTION: Notice, request for comment.

SUMMARY: The Board of Governors of the Federal Reserve System (Board) invites comment on a proposal to extend, for three years, with revision, the ad hoc clearance for the Survey of Household Economics and Decisionmaking (SHED) (FR 3077; OMB No. 7100-0374).

DATES: Comments must be submitted on or before [insert date 60 days after publication in the Federal Register].

ADDRESSES: You may submit comments, identified by FR 3077, by any of the following methods:

- Agency Website: <https://www.federalreserve.gov/>. Follow the instructions for submitting comments at <https://www.federalreserve.gov/apps/foia/proposedregs.aspx>.
- E-mail: regs.comments@federalreserve.gov. Include the OMB number in the subject line of the message.
- FAX: (202) 452-3819 or (202) 452-3102.
- Mail: Ann E. Misback, Secretary, Board of Governors of the Federal Reserve System, 20th Street and Constitution Avenue, NW, Washington, DC 20551.

All public comments are available from the Board's website at

<https://www.federalreserve.gov/apps/foia/proposedregs.aspx> as submitted, unless modified for technical reasons or to remove personally identifiable information at the commenter's request.

Accordingly, comments will not be edited to remove any identifying or contact information.

Public comments may also be viewed electronically or in paper in Room 146, 1709 New York

Avenue, NW, Washington, DC 20006, between 9:00 a.m. and 5:00 p.m. on weekdays. For security reasons, the Board requires that visitors make an appointment to inspect comments.

You may do so by calling (202) 452-3684. Upon arrival, visitors will be required to present valid government-issued photo identification and to submit to security screening in order to inspect and photocopy comments.

Additionally, commenters may send a copy of their comments to the Office of Management and Budget (OMB) Desk Officer – Shagufta Ahmed – Office of Information and Regulatory Affairs, Office of Management and Budget, New Executive Office Building, Room 10235, 725 17th Street, NW, Washington, DC 20503, or by fax to (202) 395-6974.

FOR FURTHER INFORMATION CONTACT: A copy of the Paperwork Reduction Act (PRA) OMB submission, including the reporting form and instructions, supporting statement, and other documentation will be placed into OMB’s public docket files, if approved. These documents will also be made available on the Board’s public website at <https://www.federalreserve.gov/apps/reportforms/review.aspx> or may be requested from the agency clearance officer, whose name appears below.

Federal Reserve Board Clearance Officer – Nuha Elmaghrabi – Office of the Chief Data Officer, Board of Governors of the Federal Reserve System, Washington, DC 20551, (202) 452-3829.

SUPPLEMENTARY INFORMATION: On June 15, 1984, OMB delegated to the Board authority under the PRA to approve and assign OMB control numbers to collections of information conducted or sponsored by the Board. In exercising this delegated authority, the Board is directed to take every reasonable step to solicit comment. In determining whether to approve a collection of information, the Board will consider all comments received from the public and other agencies.

Request for Comment on Information Collection Proposal

The Board invites public comment on the following information collection, which is being reviewed under authority delegated by the OMB under the PRA. Comments are invited on the following:

- a. Whether the proposed collection of information is necessary for the proper performance of the Board's functions, including whether the information has practical utility;
- b. The accuracy of the Board's estimate of the burden of the proposed information collection, including the validity of the methodology and assumptions used;
- c. Ways to enhance the quality, utility, and clarity of the information to be collected;
- d. Ways to minimize the burden of information collection on respondents, including through the use of automated collection techniques or other forms of information technology; and
- e. Estimates of capital or startup costs and costs of operation, maintenance, and purchase of services to provide information.

At the end of the comment period, the comments and recommendations received will be analyzed to determine the extent to which the Board should modify the proposal.

Proposal under OMB Delegated Authority to Extend for Three Years, With Revision, the Following Information Collection:

Report title: Survey of Household Economics and Decisionmaking (SHED).

Agency form number: FR 3077.

OMB control number: 7100-0374.

Frequency: Annually; On occasion.

Respondents: The Board expects that the respondents would include a nationally representative sample of non-institutionalized individuals¹ who are 18 years of age and older. Due to the nature of the third-party vendor's respondent pool, this sample naturally includes repeat respondents, which allows for evaluating changes in respondents' economic conditions, as well as time series analysis.

In 2019, the Board changed how respondents were selected to participate in the SHED questionnaire to more closely reflect a nationally representative sample. Thus, effective with the 2019 questionnaire, the respondent panel no longer contained a low- and moderate-income oversample. Instead, the same number of respondents were interviewed but those respondents were drawn as a random sample of adults, rather than by attempting to sample a disproportionate share of low- and moderate-income adults. This change was made to obtain a respondent sample that more closely reflects the overall adult population and to reflect that these deviations from a nationally representative sample were no longer necessary for analyses of these populations given the current size of the SHED respondent pool.

Effective with the 2018 SHED questionnaire, the respondent panel also no longer included an explicit sample of repeat respondents. Because approximately one-fifth of the vendor's total online respondent pool for the questionnaire is already comprised of repeat respondents, a substantial fraction of questionnaire respondents are repeat respondents without the need to have an explicit repeat sample.

The Board plans to continue to sample a nationally representative pool of respondents without an oversample of low- and moderate-income individuals and without an explicit repeat sample group.

¹ Non-institutionalized individuals refers to individuals who are not inmates of institutions, such as those who are incarcerated or live in a retirement home, hospital, or other medical institution, as well as active duty military.

Estimated number of respondents: Quantitative survey, 21,500 respondents; qualitative survey, 30 respondents.

Estimated average hours per response: Quantitative survey, 0.35 hours; qualitative survey, 2 hours.

Estimated annual burden hours: Quantitative survey, 7,525 hours; qualitative survey, 180 hours.

General description of report: The FR 3077 questionnaire is used to collect insightful information from consumers concerning the well-being of U.S. households and how individuals and their families are faring in the economy. The collected information could be used for the Board's Report on the Economic Well-Being of U.S. Households; Board studies or working papers; professional journals; the Federal Reserve Bulletin; testimony and reports to the Congress; or other vehicles. The SHED questionnaire includes such topics as individuals' overall financial well-being, employment experiences, income and savings behaviors, economic preparedness, access to banking and credit, housing and living arrangement decisions, education and human capital, student loans, and retirement planning. The overall content of the SHED questionnaire depends on changing economic, regulatory, or legislative developments as well as changes in the financial services industry.

Proposed revisions: The ad hoc SHED questionnaire has undergone numerous revisions in order to both minimize respondent burden and capture new and emerging topics. For example, beginning with the 2017 SHED questionnaire, the questionnaire asked about exposure to opioids under the "Health and Insurance" component; the 2018 questionnaire included a question on willingness to take financial risks; and the 2019 questionnaire included several questions on exposure to the criminal justice system and new aspects of employment in the gig economy. The Board also annually reviews existing survey questions to identify those that no longer need to be

included or could be included only periodically. Examples of questions cycled off of the questionnaire include asking homeowners why they own their home, questions on auto-lending, and questions on expectations for the financial well-being of the respondents' children. The Board proposes to maintain the 2019 questionnaire, which includes these changes, as the core content. The Board also proposes to continue to add or remove a limited number of questions annually to reflect new areas of interest on an ad hoc basis. However, the time necessary to respond to the newer questions on the questionnaire, which were added in recent years, has taken respondents less time than it took to respond to the older questions that were removed, thereby reducing the overall respondent burden. Additionally, as the Board's understanding of the time necessary to complete the questionnaire has improved with additional years of data collection, it has been determined that the completion time is lower than initially estimated. This improvement in the time estimates led to a reduction in the expected respondent burden for the questionnaire.

Legal authorization and confidentiality: Section 2A of the Federal Reserve Act requires that the Board maintain long run growth of the monetary and credit aggregates commensurate with the economy's long run potential to increase production, so as to promote effectively the goals of maximum employment, stable prices, and moderate long-term interest rates (12 U.S.C. 225a). The Board uses the information obtained from the FR 3077 to help fulfill these obligations. The FR 3077 is a voluntary information collection.

Personally identifiable information collected on the SHED questionnaire, which would identify individual respondents, will be withheld under exemption 6 of the Freedom of Information Act (FOIA). Exemption 6 of the FOIA protects information from being disclosed that would result in an unwarranted invasion of personal privacy (5 U.S.C. 552(b)(6)). In the event cognitive interviews are conducted with select individuals to obtain qualitative feedback

regarding an individual respondent's thoughts or reflections on the questions posed in the SHED questionnaire, both the questions posed to the individual respondent and their responses would be protected by exemption 6 of the FOIA (5 U.S.C. 552(b)(6)).

Board of Governors of the Federal Reserve System, May 5, 2020.

Michele Taylor Fennell,

Assistant Secretary of the Board.

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